IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

MONDAY, THE THIRTIETH DAY OF AUGUST
TWO THOUSAND AND FOUR

PRESENT

THE HON'BLE MS JUSTICE G.ROHINI

WRIT PETITION NO : 15375 of 2004

Between:

Sri N.Eswar, S/o Sri N.Balaiah,
R/o Plot No.52, Suvarna Complex,

L.B.Nagar, Opp.Kamineni Hospitals,
Hyderabad

..... PETITIONER

AND

1 The Reserve Bank of India, rep.by its Governor, Mumbai.
2 The Deputy Registrar of Cooperative Societies/OSD/Arbitrator

The Vasavi Cooperative Urban Bank Limited,
Malakpet, Hyderabad.
3 The Vasavi Cooperative Urban Bank Limited,

rep.by its Managing Director,
Mahaboob Mansion, Malakpet, Hyderabad.

.....RESPONDENTS

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue a Writ, Order or direction more particularly in the nature of a Writ of Mandamus declaring the impugned action of the respondents in not disposing of the representation made by me on 21-08-2004 with a reasoned order as arbitrary, illegal, capricious, high handed, and violative of all cannons of law and justice and consequently direct the respondents to extend me the benefits of one time settlement scheme framed by the 3rd respondent bank as approved by the Reserve Bank of India and receive the amount in full and final settlement of the loan outstanding.

Counsel for the Petitioner: MR.T.S.ANAND

Counsel for the Respondent No.3: MR.S.ASHOK ANAND KUMAR

The Court at the admission stage made the following :

ORDER:

Heard the learned counsel for the petitioner and Sri.S.Ashok Anand Kumar, appearing for the 3rd respondent-Bank. The petitioner has availed a term loan of Rs.30 lakhs from the 3rd respondent-Bank on 04-05-2000. It is not in dispute that an award has been passed against the petitioner on 12-05-2003. In pursuance thereof, the property belonging to the petitioner has been sought to be sold under the auction notice, dated 18-08-2004. The auction is scheduled to be held on 31-08-2004. It appears that the petitioner has made a representation to the 3rd respondent-Bank on 21-08-2004 stating that he is prepared for one time settlement of the amounts due. However, he has pointed out that the calculations made by the officials of the respondent-Bank are not correct and that if the calculations are correctly done as per the memo enclosed by the petitioner, the outstanding amount would be Rs.31.15 lakhs and that he is willing to deposit the said amount of Rs.31.15 lakhs. Now, the grievance of the petitioner is that the 3rd respondent-Bank without considering the representation, dated 21-08-2004 is proceeding to conduct the sale under the impugned auction notice, dated 18-08-2004.

Having heard the learned counsel for both the parties and having regard to the facts and circumstances, and particularly keeping in view that the representation made by the petitioner dated 21-08-2004 is still pending before the 3rd respondent, I am of the view that the respondents ought not to have proceeded with the auction without considering the offer made by the petitioner.

Accordingly, I deem it appropriate to dispose of the writ petition with a direction to the 3rd respondent-Bank to consider the representation of the petitioner, dated 21-08-2004, and to pass appropriate orders in accordance with law.

Pending such consideration, there shall be stay of sale of property of the petitioner i.e., H.No: 52, Suvarna Complex, L.B.Nagar, situated in Sy.No.671/1 of Mansoorabad village, Saroornagar Mandal, Ranga Reddy District, subject to the condition that the petitioner deposits the admitted amount of Rs.31.15 lakhs within a period of four weeks from today.

The writ petition is accordingly disposed of. It is also made clear that in case the petitioner fails to deposit the amount within stipulated time, it is open to the third respondent to take further steps in accordance with law.

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30-08-2004

vs

To

1 The Reserve Bank of India, rep.by its Governor, Mumbai.
2 The Deputy Registrar of Cooperative Societies/OSD/Arbitrator

The Vasavi Cooperative Urban Bank Limited,
Malakpet, Hyderabad
3 The Vasavi Cooperative Urban Bank Limited,

rep.by its Managing Director,
Mahaboob Mansion, Malakpet, Hyderabad

4 Two CD copies.